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FISCAL IMPACT STATEMENT

LS 7215

BILL NUMBER: HB 1203

NOTE PREPARED: Jan 5, 2007

BILL AMENDED:

SUBJECT: State Employee Complaint Procedures.

FIRST AUTHOR: Rep. Pelath

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill eliminates a provision that requires an employee to submit a written complaint to the employee's immediate supervisor if discussions with the supervisor have not resolved the issue that is the subject of the complaint. It requires only the appointing authority (not the appointing authority's designee) to direct any investigation into a complaint. The bill provides that an employee may submit a complaint to the State Employees Appeals Commission (SEAC), instead of the State Personnel Director, if the appointing authority does not act within a certain period of time or if the appointing authority's decision is not agreeable to the employee. The bill also provides that an employee may submit the decision of the SEAC to judicial review or to binding arbitration.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The bill would change the current employee's complaint procedure. The new procedure is:

1. Complaint is discussed with employee's immediate supervisor. If the complaint is not satisfactorily settled in two consecutive working days, the complaint goes to Step 2.

Current Process: Same.

2. The complaint is reduced to writing and presented to the employee's appointing authority. The appointing authority or designee holds a hearing and if necessary conducts an investigation. The appointing authority must render a decision within 10 days.

Current Process: The employee has to submit the complaint in writing to the intermediate

supervisor. If the complaint is not satisfactorily settled in 4 consecutive working days by the intermediate supervisor, then the complaint can be referred to the appointing authority. The appointing authority or designee holds a hearing and must render a decision within 10 business days. If the complaint is not satisfactorily settled, the employee has 15 days to refer the complaint to the Director of Personnel. The director has 15 calendar days to render a decision.

3. If the appointing authority has not made the decision within 10 days or if the decision is not satisfactory, an appeal may be submitted by the employee within 15 calendar days to the SEAC. The SEAC holds a hearing and issues a decision within 30 days of the hearing.

Current Process: If the complaint is not satisfactorily settled, the employee has 15 days to refer the complaint to SEAC. SEAC holds a hearing and has 30 days after the hearing to render a decision. If the complaint is not satisfactorily settled, the employee has 15 days to refer the complaint to arbitration.

4. If the complaint is not satisfactorily settled by SEAC, then the employee has 15 days to refer the complaint to arbitration. The arbitrator must be selected from the American Arbitration Association or the Federal Mediation and Conciliation Service if one is not available from the American Arbitration Association. The cost of arbitration is equally shared.

Current Process: No Step 4.

The bill could reduce the time necessary for an appeal to go to arbitration since the intermediate supervisor and the Director of Personnel are removed from the process. The fiscal impact of possible savings or costs would probably be minor.

Background: For CY 2005 the Commission adjudicated 410 employees' appeals and has received 356 appeals for CY 2006. None of the appeals in recent years have gone to arbitration.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Employees Appeals Commission, Director of Personnel, All.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.